

# Department of the Navy

## Mentor-Protégé Program



# Agenda

---

- ❖ Program Overview
- ❖ Mentors
- ❖ Protégés
- ❖ General Policies and Procedures
- ❖ Proposal Content
- ❖ Evaluation Process
- ❖ Program Requirements
- ❖ DoN Contacts

# Program Overview

- The Department of Defense (DoD) Pilot Mentor-Protégé Program was established under Section 831 of Public Law 101-510, the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2302 note). The program has been extended through 2010 for new agreements.
- Effective October 1, 2003 the Mentor-Protégé Program was transitioned from the Office of the Secretary of Defense (OSD), Small & Disadvantaged Business Utilization (SADBU) level to the Military Services and Other Defense Agencies delegating them full authority to approve and fund Mentor-Protégé agreements.  
[http://www.acq.osd.mil/osbp/mentor\\_protege/](http://www.acq.osd.mil/osbp/mentor_protege/)



# Program Overview

- Types of agreements:

- Credit

- A credit agreement provides the mentor credit against applicable subcontracting goals established under contracts with DoD and other Federal agencies. For more information, contact DCMA at [www.dcma.mil](http://www.dcma.mil).

- Reimbursable

- A reimbursable agreement provides monetary reimbursement only for the cost of developmental assistance incurred by the mentor firm provided to a protégé firm in accordance with the approved agreement.

# Mentors

- Prior to participation, mentor firms must complete and submit a mentor application to the Office of the Secretary of the Navy (OSN), SADBUD Director, for approval as a mentor firm under the program (DFARS Appendix I-105).
- The Application may be submitted concurrently with the proposed Mentor-Protégé agreement.
- A mentor may have several Mentor-Protégé relationships; Those several relationships may be spread across the many DoD Services and Agencies participating in the program; However, a protégé may have only one mentor/endorsed by one service or agency at any given time.
- A separate Mentor-Protégé agreement must be submitted for each Mentor-Protégé relationship.

# Mentors

- Mentor considerations when selecting a protégé:
  - Protégé's geographic location to the mentor;
  - Capabilities of the protégé and how they interface with the mentor;
  - Commitment to the relationship;
  - Stability of the protégé's management and financial status;
  - Subcontracting expectations;



# Benefits to Mentors

---

The incentives for large businesses to participate in this program are:

- Assist small businesses as defined in the Defense Federal Acquisition Regulations (DFARS) 219.7102(b) in enhancing their capabilities and to increase participation of such firms in Government and commercial contracts.
- Mentors receive compensation for costs associated with Mentor-Protégé agreements in the form of direct reimbursement.

# Benefits to Mentors

---

- Funded by DoD to nurture and develop long-term relationships with qualified small business vendors.
- Teaming opportunities with the Protégé to win new contracts and/or subcontracts



# Protégés

---

- Must be eligible to participate as a protégé firm as defined in DFARS 219.7102 and DFARS Appendix I-102(b).
  - Small Disadvantaged Business (SDB)
    - Indian Tribe
    - Native Hawaiian
    - Native Alaskan
  - Woman-Owned Small Business (WOSB)

# Protégés

---

- Service-Disabled Veteran-Owned Small Business (SDVOSB)
- HubZone
- Entity employing at least 20% severely disabled

# Benefits to Protégés

---

The incentives for small businesses to participate in this program are to:

- Open doors
- Use as a marketing tool
- Pursue business with other prime contractors
- Receive assistance from a major prime contractor
- Develop long-standing business relationship



# Benefits to Protégés

---

- May receive non-competitive subcontracts under cost-type contracts, see FAR 52.244-5, Competition in Subcontracting and DFARS Appendix I-106(d)(2).
- Teaming opportunities with the mentor to win new contracts and/or subcontracts.

# General Policies & Procedures

- Prior to initiating the development of a Mentor-Protégé agreement, the Mentor and Protégé shall complete a needs assessment (as defined in DFARS, Appendix I-106(b)) to:
  - Identify the developmental needs of the Protégé
  - Come to a mutual agreement between the Mentor and Protégé regarding the developmental assistance to be provided to the Protégé to address those needs
  - Enhance the Protégé's ability to perform successfully under prime contracts and/or subcontracts

# General Policies & Procedures

- Mentor-Protégé agreements are formalized contractually by adding a separately priced line item to an existing Navy contract. Guidance for selection of appropriate contractual vehicle:
  - Mentor-Protégé agreements must be added as a line item to an existing contractual instrument.
  - It is the Mentor's responsibility to obtain permission from the Program Manager of the contractual vehicle to add the agreement to the contract.
  - A new contract instrument cannot be issued for the sole purpose of establishing a Mentor-Protégé agreement.



# General Policies & Procedures

- New Proposals should be structured as follows:
  - base year
  - priced option for out years
  - agreement shall not exceed three (3) years

	Proposal Amounts	Not-To-Exceed Amounts
Non-Manufacturing Per Year	\$175K - \$250K	\$500K
Non-Manufacturing Per Agreement	\$750K	\$1.5M
Manufacturing Per Year	\$750K	\$950K
Manufacturing Per Agreement	\$2.25M	\$2.85M

# General Policies & Procedures

- All Navy Mentor-Protégé agreements must contain the following four elements:
  - 1) The Mentor-Protégé agreement as defined in DFARS Appendix I-107. To access the agreement template, go to [http://www.acq.osd.mil/sadbu/mentor\\_protege/participate/aaat.htm](http://www.acq.osd.mil/sadbu/mentor_protege/participate/aaat.htm)
  - 2) A separate statement outlining the *major* benefits of this agreement to the DoN and/or DoD.

# General Policies & Procedures

---

- 3) A technical proposal that details the development program described in the Mentor-Protégé agreement DFARS Appendix I-107(f).
- 4) A detailed cost proposal of the technical proposal presented in 12-month increments as cited in DFARS Appendix I-108(a)(4).



# Agreement Content

---

- 1) DFARS Appendix I-107: All twenty-six (26) elements of Section I-107 **MUST** be addressed separately.
- 2) A separate statement citing the benefits of this agreement and or the Return On Investment of this agreement to the Navy and/or DoD must be submitted on a separate page, which is clearly identified.

# Technical Proposal Content

- 3) The technical proposal should be constructed so it easily tracks to the cost proposal;
- The hours associated with each task described in the technical proposal should be visible in the cost proposal;
- A very strong technical proposal is imperative;

# Technical Proposal Content

- The minimum hours associated with technology transfer should be approximately 70% of the proposed hours and the remaining 30% should be related to business development tasks.
- **Emphasis on technology transfer is very important.**
- The technical proposal must also include a milestone chart (DFARS Appendix I-107(g)) that tracks the proposed technical assistance to be provided.



# Cost Proposal Content

---

- 4) Cost Proposals for reimbursement must comply with the following:
- **Do Not Include Any Type of Fee or Profit**
  - As indicated in the March 2002 GAO Interim Report on the Mentor-Protégé Program (GAO/NSLAD 92-135, (p. 7)), prime contractors cannot earn a profit on developmental assistance provided to protégés.
  - Labor/Salary reimbursement must be for employees on the mentor's payroll only. Consultant costs are **unallowable**.

# Cost Proposal Content

- Incidental costs (other direct costs) cannot exceed **10%** of the total proposal cost.
  - Incidental costs include all costs other than direct labor, overhead, and General and Administrative (G&A) costs associated with direct labor.
  - Examples of incidental costs include travel, training, equipment and software, etc.
  - The only protégé expenses to be reimbursed by the Government are for travel expenses relating to training only, not marketing.

# Cost Proposal Content

---

- Tasks to be completed by a Historically Black Colleges or Universities or Minority Institutions (HBCUs/MIs), a Procurement Technical Assistance Center (PTAC), or a Small Business Development Center (SBDC) are allowable and are not included in incidental costs.

The use of these resources for training is encouraged.

# Evaluation Process

---

- The Navy M-P Program Manager will accept Mentor-Protégé agreements submitted during the following four cycles:
  - *August 30<sup>th</sup>*
  - *November 30<sup>th</sup>*
  - *February 28<sup>th</sup>*
  - *May 31<sup>st</sup>*



# Evaluation Process

---

- All proposals shall be submitted to and endorsed by a Navy Head Contracting Agency (HCA). The Navy HCA shall review all proposed agreements for accuracy and completion, and will then forward them to the DoN Mentor-Protégé Program Manager for final review by an evaluation board.
- Your firm will be notified by DoN SADBU letter as to approval or rejection of your submitted proposal.
- It is the Navy Program Manager's intention to endorse the highest rated agreements from each submission cycle.

# Evaluation Process

---

- All agreements that are not endorsed and forwarded to DoN SADBUD Director for approval and funding will be returned to the mentor with a copy of the cover letter sent to the cognizant Navy HCA Small Business Office.
- If the initial proposal is returned to the mentor, it may be resubmitted a maximum of two more times. (A total of three (3) submissions).

# Evaluation Process

---

- Proposed agreements will be evaluated based on the following criteria (listed in descending order of importance):
  - Merit of the technology transfer to the protégé firm;
  - Perceived benefit/value of the agreement to Navy and/or DoD;
  - Percentage of hours associated with technology transfer;

# Evaluation Process

---

- Subcontracting opportunities available to the protégé;
- Utilization of HBCUs/Mis, PTACs, or SBDCs;
- Proposed cost;



# Program Requirements

- Monthly expenditure reports are required to be submitted to the cognizant Small Business Office on the 20<sup>th</sup> of each month. Inaccurate and late reports will have a negative impact on the decision for approval of your priced option.
- Extra emphasis is placed on the semi-annual reports that are required under this program. These reports are reviewed and are a major part of the decision-making process to determine if incremental funding will be approved. Inaccurate and late reports will have a negative impact on the decision for approval of your priced option.

# Contacts

---

Navy Mentor-Protégé Support Contractor

Paris Burrell

(202) 685-6489

[paris.burrell.ctr@navy.mil](mailto:paris.burrell.ctr@navy.mil)

# Contacts

---

## *Naval Supply Systems Command*

Mr. Mark Opilla

717-605-3575

[mark.opilla@navy.mil](mailto:mark.opilla@navy.mil)

<http://www.navsup.navy.mil>

## *Naval Inventory Control Point*

Ms. Tamela Kozior

215-697-2587

[tamela.kozior@navy.mil](mailto:tamela.kozior@navy.mil)

<http://www.navicp.navy.mil>

# Contacts

---

*Office of Naval Research*

Ms. Genesta Belton

703-696-4511

[beltong@onr.navy.mil](mailto:beltong@onr.navy.mil)

<http://www.onr.navy.mil>

*Marine Corps Systems Command*

Ms. Jeraline Artis

703-432-3798

[Jeraline.artis@usmc.mil](mailto:Jeraline.artis@usmc.mil)

<http://www.marcorsyscom.usmc.mil>



# Contacts

---

*HQ, U.S. Marine Corps*

Mr. Stanley Daise

703-614-6180

[Stanley.daise@hqmc.usmc.mil](mailto:Stanley.daise@hqmc.usmc.mil)

<http://www.hqmc.usmc.mil>

*Naval Sea Systems Command*

S. Tatigian

202-781-3965

[TatigianS@navsea.navy.mil](mailto:TatigianS@navsea.navy.mil)

<http://www.navsea.navy.mil>

# Contacts

---

## *Strategic Systems Programs*

Ms. Patricia Cook

703-601-9091

[Patricia.Cook@ssp.navy.mil](mailto:Patricia.Cook@ssp.navy.mil)

<http://www.hq.navy.mil/sadbu/ssp.htm>

## *Naval Air Systems Command*

Ms. Emily Harman

301-757-9044

[emily.harman@navy.mil](mailto:emily.harman@navy.mil)

<http://www.navair.navy.mil>

# Contacts

---

## *Military Sealift Command*

Mr. Brad Taylor

202-685-5565

[Brad.taylor@navy.mil](mailto:Brad.taylor@navy.mil)

<http://www.msc.navy.mil>

## *Naval Facilities Engineering Command*

Ms. Linda Wright

202-685-9129

[linda.g.wright@navy.mil](mailto:linda.g.wright@navy.mil)

<http://www.navfac.navy.mil>

# Contacts

---

*Space & Naval Warfare Systems Command*

Susan Burrows

619-524-7701

[susan.burrows@navy.mil](mailto:susan.burrows@navy.mil)

<http://www.spawar.navy.mil>

*Defense Contract Management Agency*

*Mentor-Protégé Division*

Sunny Thompson

Division Chief

617-753-3643

[Melba.Thompson@dcma.mil](mailto:Melba.Thompson@dcma.mil)